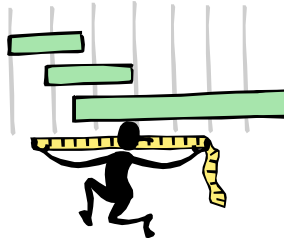


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If you have questions or comments on any information contained in *The Connection*, please contact Angela Knight at (360) 664-7654 or email: angela.knight@ofm.wa.gov.



Financial Baseline and Benchmark Project Completed

After six months of surveys, focus groups, interviews and analyses, the Financial Baseline and Benchmark Project is complete.

The Office of Financial Management (OFM), the Department of Personnel (DOP) and the Governor's Office initiated the project in January 2004 to support strategic planning for future statewide financial systems. Twelve agencies participated in the project.

The purpose was to identify financial processes that are overly complex, cumbersome or duplicative. The project involved a combination of quantitative and qualitative assessments – along with a comparison to benchmarks and best practices – to establish baseline measures of state finance processes and to identify and prioritize opportunities for improvement. A follow-up measurement in 2006/07 will quantify those improvements.

continued on page 4



Beyond HRMS - A Roadmap for Accounting, Budgeting and Purchasing

A new Human Resource Management System (HRMS) implementation is planned for completion in 2005 to address the challenges of civil service reform, collective bargaining and competitive contracting.

Although we have much to do as a state to successfully implement the HRMS, many of us are already wondering, "What next?" Opportunities exist in the state's other "back office" processes like accounting, budgeting, contracting and purchasing.

Urgent needs exist there right now. Will the HRMS approach be the model for addressing other enterprise business needs? Will the new software for HRMS also meet our other business needs? OFM and other central services agencies (DOP, GA, OST, DIS) are working with a group of line agencies to create a plan for answering those questions. We call this plan a *Roadmap*.

continued on page 4





Sadie Rodriguez-Hawkins
Assistant Director, OFM Accounting

Comments from the Assistant Director

Roadmap - A Journey into the Future

The Pacific Northwest Digital Government Summit was held in Seattle recently. A panel member at one of the sessions shared the following words with those in attendance.

If you want to travel fast, go alone.

If you want to travel far, go together.

African Proverb

At first blush, I was simply inclined to take these words literally. However, when they are contemplated in relationship to our state of affairs today, these few words can convey a powerful message. It is a message that deals with issues we face on a regular basis — issues of urgency, distance, and choice. It is a message that merits our close attention, especially at a time when we are encouraged to seek what is known as, an “Enterprise Solution” for Financial and Administrative Systems.

As we engage in discussions of what this “Enterprise Solution” would look like for Washington State, some of us begin to feel uncomfortable. We become concerned with timing and feel that our needs are so urgent that we can’t afford to wait for everyone else. We are left with this conclusion: ***“If you want to travel fast, go alone.”***

Yet, in other discussions we recognize that we have to make some choices — we may have to give up “something” to meet the greater “common good.” These choices are not always easy when one is deliberating between faster or better. Nonetheless, if we want to maximize the investment of taxpayer dollars, we must consider the benefits to be gained in the above-mentioned adage: ***“If you want to travel far, go together.”***

Why are these conversations around partnership so difficult? One answer could be that over time we in state government have become accustomed to working in what I call “silos.” We have tended to assess our needs by agency or institution and then seek a solution that is unique to our environment. However, as resources get more and more scarce we are faced with the dilemma of doing nothing, maintaining the status quo, or doing something that again only provides benefit to a single entity, or partnering on enterprise solutions.

It is the latter that has motivated a group of government executives to undertake an effort entitled the **“Roadmap”** project*. They have committed to a partnership, to dialogue, and in particular to continuing the momentum towards seeking an “Enterprise Solution” for Financial and Administrative Systems.

Some in the group are driven by a sense of urgency, others by a vision of an “enterprise solution” — all are driven by choices that need to be made. Our hope is that we can ***“travel far and travel together”*** as we continue the quest to make Washington State the best it can be.

ESD, welcome to AFRS!

Executive sponsors Thomas Bynum, Cynthia Harris, Sadie Rodriguez-Hawkins and Dennis Jones recently gave four thumbs up to the July 1 implementation of the Single Source of Numbers (SSON) project. The Employment Security Department (ESD) partnered with OFM to move Employment Security's detailed accounting to AFRS and FASTRACK.

ESD financial managers, accountants, and information technology staff and OFM business and technical consultants have been working towards this goal for over a year. Their accomplishments include:

- A new AFRS chart of accounts to support ESD business processes and information needs
- A complete overhaul of ESD's labor distribution module to make it work with actual payroll costs and AFRS coding
- A new ESD cost allocation system, closely integrated with AFRS
- Addition of a detailed expenditure download capability from FASTRACK
- Many creative uses for the new AFRS financial toolbox
- Customized chart of accounts and FASTRACK training
- A partnership with the Department of Social and Health Services (DSHS) to adapt their WARP tool to facilitate development and loading of ESD allotments
- A foundation for transition to the new Human Resource Management System
- A celebration barbecue!

Jack Needham, Deputy Assistant Commissioner of ESD's Financial Branch, said the move to AFRS will provide the capability to manage ESD finances from an agency perspective and go a long way towards streamlining accounting processes. There will finally be a direct tie between the accounting detail and agency trial balances. Being on AFRS will also eliminate the need to devote staff resources to reconciling two systems, and provide ESD with a fully supported budget and accounting system. He added that the key to the project's success was OFM's support and commitment to the partnership.

As a full AFRS user, ESD becomes one of the largest customers for OFM Statewide Financial Systems Services. Both agencies look forward to continuing our partnership as we build the roadmap for major improvements to the state's financial systems. For more information on the SSON project, visit the project [web-site](#) or call Jack Needham at (360) 902-9423 or Susan Dodson at (360) 664-7689.



Team Members:

Front Row: L-R: Aaren Purcell, Tracey Hoy, Judy Jones, Steffan Chau, Nancy Muir-Clouse, Sadie Rodriguez-Hawkins, Nancy Botaitis

Middle Row: L-R: Heather McCormack-Martin, Lee Rolle, Terrilyn Spann, Jack Needham, Cynthia Harris, Auvo Kotiaho, Marsha Bayness, Carolyn Stephens

Back Row: L-R: Robert Burchfield, Les Myhre, Dennis Jones, CJ Teague, Thomas Bynum, Phil Brock, Doug Gough, Marie Dunlap, Vicki Deboer, Susan Dodson, Kim Anensen

Financial Baseline and Benchmark . . .

continued from front page

OFM, DOP and the Governor's Office teamed up with consultants from Mercer and Sierra Systems to develop a summary of findings and recommendations. The full summary report can be found at <http://www.ofm.wa.gov/accounting/benchmark/results.ppt>.

Key recommendations for agencies:

<i>Short-Term</i>	<i>Medium-Term</i>	<i>Long-Term</i>
<ul style="list-style-type: none"> • Receive all invoices centrally within each agency. <ul style="list-style-type: none"> - Receive electronic invoices into a shared Payables inbox ("lockbox" processing). - Log all invoices upon receipt. - Retain original invoice and accept other forms of verification of receipt of goods or services (e-mail, fax, etc). • Send interagency invoices electronically to generic agency A/P inboxes rather than individuals. • Leverage internal best-practice budget development tools (e.g., Excel templates). 	<ul style="list-style-type: none"> • Expand use of rapid invoice processing. • Provide online self-service training materials and references for agency finance staff. • Centralize customer service within agencies, provide staff access to appropriate financial systems, and record and track issues and resolutions. • Expand payment options such as credit/debit cards, EFT, etc. with appropriate information for allocation and invoice matching. 	<ul style="list-style-type: none"> • Consolidate cash receipting systems. • Expand customer self-service functionality to include vendor access to account information and workflow for internal customers. • Review agency service pricing models to encourage appropriate levels of accounting details in applications and invoices.

Thanks again to the 12 participating agencies who helped make this project a success:

Attorney General's Office
Department of Printing
Department of Information Services
Office of Financial Management

Department of Personnel
Department of General Administration
Employment Security Department
Department of Licensing

Department of Corrections
Department of Revenue
Department of Labor and Industries
Washington State Patrol

For more information about the Financial Baseline and Benchmark Project, please contact Kathy Rosmond, OFM Project Manager, at Kathy.Rosmond@ofm.wa.gov or (360) 664-7771.



A Simple, FREE, Time-Saving Alternative to AFRS Data Entry

It might sound too good to be true, but it's not. OFM offers the **Financial Toolbox** to agencies at *no cost*! The Financial Toolbox is a web-based application that enables users to prepare transactions on a spreadsheet and send them to AFRS with a click of the mouse. It can be used for recurring payments, cost distributions and many other types of transactions.

Agencies using the Financial Toolbox report that they love it and, they are saving *hours* previously spent re-keying information from spreadsheets to AFRS. For more information about the Financial Toolbox or to set up a demo for your agency, contact Cheryl Hainje at cheryl.hainje@ofm.wa.gov (360) 664-7691 or Rick Castro at rick.castro@ofm.wa.gov (360) 664-7685.

Beyond HRMS

continued from front page

The Roadmap will include:

1. A plan of action that prepares us for budgeting, accounting and purchasing process improvements and incremental system replacements following HRMS implementation.
2. A coordination strategy led by central service agencies that organizes the process of looking at new systems solutions to common business problems so that the state can implement common solutions.
3. A change management process that continues to refine, validate and adjust the plan, sets priorities and prepares the state community for ongoing financial and administrative business process change.

The Roadmap Planning Team:

We have asked the following agency representatives to help us develop the various tasks, activities, deliverables and timelines for the first draft of the Roadmap.

1. GA	Bill Joplin	6. ESD	Cynthia Harris	11. L&I	Melanie Roberts
2. DOP	Tom Miller	7. DOT	Marcy Yates	12. WSP	Diane Perry
3. OST	Darrel Jensen	8. DOC	Denise Doty	13. HCA	Connie Robins
4. DIS	Chuck Smith, Tom Parma	9. LCB	Randy Simmons	14. OFM	Sadie Rodriguez-Hawkins, Dennis Jones, Wendy Jarrett and Lynne McGuire
5. DSHS	Judy Devine	10. AGR	Mark Johnson		

The Progress:

- The team held its first meeting on May 9th to lay the groundwork. Interviews with team members and others in their agencies were conducted over the following three weeks.
- The agencies interviewed provided the following feedback:
 - This is important and needs to be done.
 - Agencies want to be involved, help describe the needs and set the direction.
 - Central service agencies should lead.
 - Focus first on the business objectives, problems and opportunities.
 - Consider resources and cost impacts.
 - There must be a System to meet urgent needs.
- The team members and their agency's IT leaders met again on June 3 to develop the first draft of the plan. This session reinforced the need to focus on business objectives, problems and opportunities. A three-phase plan was envisioned to address the following questions:
 1. What do we need to accomplish by September 1, 2004, to support a budget request for 05-07 activities?
 2. What can we accomplish in the remainder of FY 05 to further define the business needs and potential solution?
 3. What can we accomplish in FY 06 to validate the solution and plan and prepare for implementation (no sooner than FY 07)?
- A guiding principle was established to "do no harm to HRMS." We must plan no implementation before the completion of HRMS in FY 06.
- The team met again on June 30 to identify the major activities in this three-phase plan.

Watch for regular updates in future issues of *The Connection*.



An improved version of the Travel Voucher System (TVS) was released in January 2004. If you have any questions about the new version, please contact Owen Barbeau at owen.barbeau@ofm.wa.gov / (360) 664-7766.

We invite those of you who have not experienced the benefits of TVS to visit our website for an overview of this dynamic system at: <http://www.ofm.wa.gov/accounting/statewide.htm#accounting>.



Sharon Novak



Passing the Torch in BASS. . . .



Megan Pilon

Retirement is looming on the horizon for Sharon Novak, the current BASS Project Manager. On August 31, Sharon will say good-bye and join husband, Jim, in a busy retirement. Sharon plans to spend much more time with her five grandchildren, wants to travel, has a wedding to plan and intends to keep her project management skills sharp on plenty of projects for Jim.

Sharon joined OFM in September 1988 as a member of the IS Division's Data Administration unit. In 1997, Sharon joined the Statewide Financial Systems group in the Accounting Division to help initiate the envisioned BASS project – a series of projects planned over the next ten years to incrementally replace the OFM suite of budgeting systems. She started as lead developer, progressed to assistant project manager and then took over as project manager early this year.

She will pass the project management torch to Megan Pilon who will guide the team in implementing the last remaining component to the BASS vision – The Allotment Systems (TALS).

While her experience, management skills and technical abilities will be missed, it's Sharon herself that's irreplaceable. She has served as a guiding model and mentor to many OFM staff and OFM is the better for it. Thanks Sharon and have fun!!

Statewide Financial Systems welcomes Megan Pilon back to OFM as BASS Project Manager. Megan will be assuming the full project manager duties for BASS after Sharon Novak departs at the end of August.

Meanwhile, Megan is getting up to speed quickly and the transition is moving along well. She brings with her the project management principles that OFM values: clear focus on teamwork and clear team roles; careful management of scope, time, resources and risk; and an iterative approach to systems implementations.

Megan worked at OFM from 1990 to 1994 as a computer analyst / programmer. She moved on to greater responsibilities at the Code Reviser's Office through 1997 then honed her project management and leadership skills with the Legislative Service Center until 2004. After a brief stint at DSHS, Megan joined OFM in April.

Megan is married to Lee Pilon and they have two daughters; Morgan 8 and Madison 5. When she's not managing projects or managing a family, she manages to get in a pretty good game of golf.

Disclosure Forms . . . Life just got Easier!

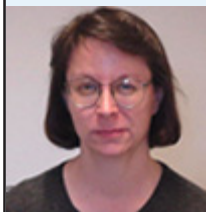
In August, OFM will have a new *web-based* disclosure form application available to agencies for submitting fiscal year-end disclosure data. Both state and federal forms will be included in the application.

Thank you to the State Board of Community and Technical Colleges for allowing us to use their web-based application to customize it for statewide use!

One of the new features is that many disclosure forms will have control totals pulled from FASTRACK. The forms will be very easy to access. Once the forms are completed, there will be no need to transfer the data to a disk to return to OFM. The CAFR Team will have access to the data through the web. The only manual steps in the process will be obtaining signatures from **agency heads and chief financial officers** on the *Financial Disclosure Certificate* and mailing it to OFM. Life just got easier! Security will be issued by each agency so one agency will not be able to view or change another agency's data. The data entered into the disclosure form application will be locked after the September 22, 2004, due date.

More information will be coming soon. If you have questions, please call the accounting consultant assigned to your agency.

Who's New In Accounting?



Suzanne Coit joined Statewide Accounting as a Statewide Financial Consultant on April 12th. Suzanne brings experience from working at the Office of the State Treasurer (OST), the State Auditor's Office (SAO), and the Thurston County Treasurer's Office. In addition to providing general consulting to a set of assigned agencies, Suzanne is responsible for updates to Chapters 80 and 85 – Accounting Policies and Procedures – in the *State Administrative and Accounting Manual* (SAAM).

Suzanne and her husband Robert have two children – Elizabeth, age 13 and Kyle, age 6. She enjoys spending time with family, reading and gardening. Suzanne can be reached at suzanne.coit@ofm.wa.gov / (360) 664-7783.



Mike Schaub joined Statewide Accounting as a State Financial Consultant on April 19th. He worked for the Department of Revenue for almost 10 years, most recently as a Financial Analyst. In addition to providing general consulting to a set of assigned

agencies, Mike is responsible for the annual Audit Resolution Report and coordinating the Statewide Central Services Cost Allocation Plan.

Mike and his wife, Shari, have two children - Josh, age 15 and Kristin, age 12. Mike enjoys spending time with his family, working in the yard and playing basketball. Mike can be reached at michael.schaub@ofm.wa.gov / (360) 664-7756.

Who's Moved In Accounting?



Cynthia Roach joined the Enterprise Reporting (ER) Team as a Product Manager on May 6, 2004. Cynthia most recently worked with the OFM BASS Team as a Lead Software/Tester Analyst.

Her initial responsibilities include working with the BASS Team to coordinate all the report design activities in TALS, the new Allotment System, scheduled to begin implementation in early 2005. She is also working with agency customers to continue our effort of transitioning the AFRS monthly reports to FASTRACK. Cynthia also supports the FASTRACK Help Line.

Cynthia is located in the Tumwater Point Plaza West Building with the rest of the ER Team. She can be reached at cynthia.roach@ofm.wa.gov / (360) 664-7692.

DRS Online-View Upgrades Are Coming Soon!

Online view activity of vendor history in the Disbursement Reporting System (DRS) has been averaging over 100,000 views per month. The Office of Financial Management (OFM) recognizes these searches require many keystrokes to search for and obtain an online view of specific DRS vendor history data. As a result, OFM has been developing a more direct way to accomplish these searches and a more useful way to display the resulting data.

The new *search* and *display* features will involve allowing online searches to be launched from the Combined Vendor Selection screen (VE menu item '1'). In addition, the online view launch process will provide the viewer a choice of screens to present the initial data view, then provide the capability to scroll left and right through the other display screens to provide quick access to all of the data in each displayed transaction.

Objectives guiding the development are to:

1. Create a vendor record-based online view launch capability,
2. Simplify vendor identification for accurate vendor transaction search,
3. Increase online search response time,
4. Provide multiple online transaction display options and the ability to quickly access other options by right and left scrolling of the display screens, and
5. Incorporate the invoice date, and the 30-character invoice number and account number fields into the new screens.

Users will be notified via the listserv and a message will be posted on the AFRS screen when the new features are in production. The current online view features will remain available until agencies have time to become familiar with the new features. Eventually, the old online view features will be removed from production.

Training for the new online view features will be offered in the Fall 2004 DRS classes. More details on the upgrades are available at [online DRS View](#). If you have any questions or comments, please contact Phil Taylor at phil.taylor@ofm.wa.gov / (360) 664-7712.

CAMS/FIS and AR Studies

As reported in the Spring 2004 *Connection*, Statewide Financial Systems (SWFS) is working with Sierra Systems on two studies that: (1) examine the feasibility of combining and replacing the Capital Asset Management System (CAMS) and the Facilities Inventory System (FIS) and (2) examine alternatives for replacing the Accounts Receivable System (AR).

In the CAMS/FIS study, the project team evaluated three alternatives: (1) revise DSHS' existing TRACKS application to provide enterprise functionality; (2) use an Enterprise Resource Planning (ERP) package similar to the SAP application being implemented for the state's personnel system; and (3) acquire a commercial off-the-shelf (COTS) asset management product.

In the AR study, the alternatives were the same as in the CAMS/FIS study (described above); the existing application that the project team considered was an AR system from Labor and Industries. Sierra's recommendations for both CAMS/FIS and AR were similar.

The ERP and COTS alternatives were preferable to the options to modify existing systems because they offer significantly greater benefits, especially through clear upgrade paths and choices for added functionality with lower costs.

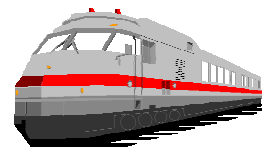
The choice between ERP and COTS then depends on the state's long-term intentions. If the state chooses to implement an ERP for financial and administrative systems replacement, it would offer more benefit than COTS due to the integrated set of applications with built-in data sharing and workflow. However, if the state does not choose an ERP, the COTS solution would offer lower maintenance and support costs.

Sierra added that if an ERP solution is anticipated, but not implemented for another three to four years, then the choice becomes less clear. The urgency of the need might dictate a COTS solution rather than waiting for the ERP.

The findings and recommendations from the CAMS/FIS and AR studies will be considered as part of the Roadmap planning project (see related article on page 8) and will be considered for OFMs investment portfolio along with other high priority initiatives.

If you would like more information about the CAMS/FIS feasibility study, please contact wayne.johns@ofm.wa.gov / (360) 664-7693. Information about the AR feasibility study can be obtained from art.overman@ofm.wa.gov / (360) 725-5271.

What's new with FASTRACK?



CE10 Upgrade

In April 2004, it was decided that Crystal Enterprise 10 (CE10) would be the common reporting tool for Washington State's Enterprise Financial and Administrative systems. As a result of the Proof of Concept analysis, we are confident that CE10 will increase the performance and stability, allow for new customer growth, while providing value through:

- Improved access to financial information.
- Improved ease of use.
- Improved download capabilities.
- Improved flexibility in the report content and format.

Department of Personnel (DOP) found CE10 to be both versatile and useful. Release 1 of the HRMS Business Warehouse, which begins deployment in December 2004, will build a repository within SAP that is equivalent to the current DOP Data Warehouse, and will use the SAP Business Warehouse reporting tool. In future releases, DOP will continue to work in partnership with OFM on moving toward an enterprise reporting solution.

The Office of Financial Management (OFM) will be moving forward to develop a deployment strategy to convert their existing FASTRACK customers to the new CE10 environment by May 2005. The conversion plan will take into consideration the agency HRMS implementation schedule to minimize the overwhelming changes that agencies have to face to learn two new systems.

As the new reporting environment becomes complete, demonstrations of the system features and functions will be available for existing and new FASTRACK customers.

Training will begin early next year, with full implementation by May 30, 2005. An update of the conversion progress will be available in the Fall 2004 issue of *The Connection*.

New Customers

Effective July 1, 2004, Employment Security Department (ESD) joined the FASTRACK customer base. Welcome! *continued on next page*



What's new in SAAM?

Effective July 1, 2004, the *State Administrative and Accounting Manual* (SAAM) was updated in a number of areas. Certain changes were due to actions of the 2004 Legislature, while others were made to clarify existing policy and improve the effectiveness of state accounting activities.

Chapter 10 Travel - Clarified the federal reporting requirements related to reimbursements to advisory boards.

Chapter 12 Transportation – Added language related to existing requirement for two-day completion of the State of Washington Vehicle Accident Report (SF 137).

Chapters 15 and 16 Personal Service and Client Service Contracts - Many of the changes to Chapters 15 and 16 were for clarification purposes, for example clarification of mandatory training requirements and adherence to the “Guide for Client Service Contracting,” requirements related to the solicitation document, and requirements related to the annual Contract Procedures Report.

Chapter 25: Payroll - Modified procedures for overpayments related to an employee under a collective bargaining agreement pursuant to SHB 2507.

Chapter 50 Federal Compliance – Decreased the threshold for programs subject to CMIA regulations to \$30 million or more.

Chapter 75 Uniform Chart of Accounts – Added seven new accounts to the Chart of Accounts as a result of legislative actions. Revised descriptions of sub-objects for personal service contracts. Additionally, added three revenue source codes, deleted eight federal revenue source codes, and renamed one federal revenue source code.

Chapter 80 Accounting Policies – Clarified certain accounting policies.

Chapter 85 Accounting Procedures – Clarified year-end recording of short-term and long-term receivables.

Additional details related to SAAM changes are noted in Directive 04A-03 which accompanied the policy update. Directive 04A-03, as well as the entire text of SAAM, is available on our web site at <http://www.ofm.wa.gov/accounting/policies.htm>.

Questions regarding policy content and proper interpretation of the contracting policies in Chapters 15 and 16 should be directed to the following OFM Contract staff:

Susan Johnsen	(360) 725-5258	susan.johnsen@ofm.wa.gov
Laura Nelson	(360) 725-5259	laura.nelson@ofm.wa.gov
Jan McMullen	(360) 725-5260	jan.mcmullen@ofm.wa.gov

Questions regarding all other manual content and proper interpretation should be directed to the OFM Accounting Consultant assigned to your agency.

What's new with . . .

continued from page 8

New Reports

We are developing three project-to-date reports:

- 1) Project Management Report - similar to AFRS 500 reports.
- 2) Project Status Report - provides cumulative project balance and monthly information, similar to FASTRACK Allotment Status reports.
- 3) Project Billing Report - provides data that can be used for billing purposes; similar to AFRS 482 reports.

Reports will have flexible features and enable customers to select their own groupings and sections. These reports should be available by mid-summer.

Highlights

In March of 2004, we reached a record high - 23,220 reports generated in a single month. Thank you for your goodwill and patience as we move into a new environment for better performance. For more information on any of the above subjects, please contact Muoi Nguy at muoi.nguy@ofm.wa.gov / (360) 664-7699.